Wheat Series Unit Number 1

UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Adjustment Administration
Division of Information

and

UNITED STATES DEPARTMENT OF THE INTERIOR
Office of Education, Division of Vocational Education
Agricultural Education Service
Cooperating

UNIT NUMBER 1

A statement to teachers of vocational agriculture concerning instructional plans dealing with the economic situation and the wheat adjustment program in relation to the organization of the individual farm business, plus suggestions for planning a program of instruction with farmers.

PROBLEM

Farmers are confronted with the problem of managing their farms in the present economic situation, and in planning programs of individual farm reorganization in relation to the changes which may be expected to occur.

PURPOSE OF THE FOLLOWING PLANS AND MATERIALS

The following material has been prepared for the use of teachers of vocational agriculture in helping farmers to make decisions as to their problems in organizing the individual farm business. The materials and suggestions have been designed particularly for the use of teachers in dealing with evening classes of adult farmers. With modifications the material may also be used with part-time or all-day students.

GENERAL OBJECTIVE

To develop the ability of the individual farmer:

- 1. To use the available economic information in organizing the individual farm business.
- 2. To make the most effective use of the Wheat Adjustment Program.
- 3. To recognize and appreciate the relationship of the individual farm business to the general welfare of various social groups.

GENERAL PLAN OF ORGANIZATION OF THE MATERIAL

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The material is organized in seven units. There is a general statement regarding each unit immediately following the unit number.

Instructional Objectives

An objective for each unit or division of the material is stated in terms of what teachers may be expected to try to accomplish in the development of their students.

Materials and Sources

Each instructional objective is accompanied by appropriate materials and a list of sources of information.

Procedures and Expected Outcomes

Suggestions as to procedures to be used in carrying out the instruction follow the suggestions as to materials and sources. Suggestions as to expected outcomes and possible conclusions accompany the suggestions as to procedure.

A unit of instruction, therefore, may be thought of as consisting of, first, an instructional objective; second, a presentation of materials and a list of sources; and, third, suggestions as to procedures and expected outcomes. A teacher should read each unit through carefully before attempting to formulate his detailed plan of instruction.

PLANS IN CONNECTION WITH SELECTED REFERENCES

All teachers should have available:

- 1. The Agricultural Situation Issued monthly by the Bureau of Agricultural Economics, U.S.D.A.
- 2. Crops and Markets Published monthly by the Bureau of Agricultural Economics, U.S.D.A.
- 3. 1931 Yearbook of Agriculture U.S.D.A.
 1933 " " " U.S.D.A.
 1934 " " " U.S.D.A.

In connection with many of the tables presented later will be found notes indicating how the above references may be used in bringing the tables up to date, or in making available more complete information.

Teachers should read pages 101-140 of the 1934 Yearbook. An excellent presentation is made of "Agricultural Adjustment Measured in Progress Toward Parity Prices." Pages 1-99 are also valuable in building a background of information to be used in interpreting the present situation.

OTHER MATERIALS AND SOURCES TO BE USED

Teachers should check through the following list and attempt to secure the material which has not been received.

Publications

- 1. Ezekiel, Mordecai and Bean, Louis, H., "Economic Bases for the Agricultural Adjustment Act, U.S.D.A, Page 30
- 2. Mimeograph publication WH Series entitled "World Wheat Prospects," Bureau of Agricultural Economics, U.S.D.A. Teachers in communities wherein wheat production is important should be on the mailing list for this publication.
- 3. Agricultural Adjustment A report of administration of the Agricultural Adjustment Act, May 1933 to February 1934, Pages 43-68, Series G-8. This publication has been sent to all teachers.
- 4. W-15 U.S.D.A. Agricultural Adjustment Administration. Handbook of organization and instructions for applying the Agricultural Adjustment Act to wheat.
- 5. Farm Record Book

Form AAA 270 (Revised) September 1934. Prepared by Agricultural Economics Extension, Office of Cooperative Extension Work, United States Department of Agriculture in cooperation with the Agricultural Adjustment Administration and State Extension Economists.

Information concerning the availability of this farm record book has been forwarded to State Directors of Extension and State Supervisors of Vocational Agriculture.

- 6. Monograph No. 18 Reorganizing the Individual Farm Business, issued by the United States Department of the Interior, Office of Education, Vocational Education, Washington, D. C., October 1933.
- 7. U.S.D.A. Farmers Bulletin No. 1564, Farm Budgeting
- 8. U.S.D.A. Miscellaneous Publication No. 215 The Agricultural Outlook for 1935.

9. Average Prices Received by Farmers - Mimeographed monthly report, Bureau of Agricultural Economics, U.S.D.A.

Charts

1. R.C. 1.1 - Agricultural Adjustment Administration

Index of Prices Received and Prices Paid by Farmers (This chart has been forwarded to teachers of vocational agriculture in size 8^{1}_{2} " x ll". Upon request the large size wall chart has been forwarded. The large chart may be secured by making a request to the State supervisor of Vocational Agriculture.)

- 2. Wheat Farm Prices and Fair Exchange Value, July 1910 to Date.
- 3. Wheat Total Supplies and Consumption, United States, by Crop Years 1919 to Date.
- 4. Wheat Carryover in United States July 1, 1920 to 1935.
- 5. Wheat Difference between Chicago and Liverpool prices July 1921 to Date.
- 6. How Funds from Wheat Processing Tax Were Used 1933-34
- 7. Large Wheat Supplies Bring Low Prices
- 8. Still Fenced Out
- 9. Counties in which Wheat Control Associations are organized.

If you do not have these charts forward a request to the State Supervisor of Vocational Agriculture.

PROCEDURE FOR INTRODUCING PROGRAM OF INSTRUCTION

As an introduction to the series of discussions the teacher may well write upon the blackboard a question being asked by farmers in his community which may be similar to the following:

What is the outlook for a reasonable financial return to the individual producer of wheat?

Obtain through discussion the opinion of different members of the group regarding prospects for net income from wheat production. Follow by a question similar to the following:

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What is it or what are the factors that influence prices?

List on the blackboard the contributions the farmers have to make. Do not at this point try to develop a clearly defined and complete list of all factors, since the purpose is merely to lay out or open up the problem for further consideration. Such items or factors as the following will be suggested by most groups of farmers: (Wheat as an example)

- 1. Amount of wheat being produced
- 2. Exports to foreign countries
- 3. Home markets for wheat
- 4. Purchasing power of those needing wheat or its products
- 5. Industrial and business activity
- 6. Etcetera

From an inspection of the list of items suggested, guide the farmers in giving consideration to the conclusion that prices are largely influenced not by individuals but by general conditions, etc., and by actions of large groups. It may be reasoned, therefore, that some influence on prices may be exercised by group action in controlling production.

In order to continue the discussion, a question similar to the following may be used:

How much control does the individual have over the factors influencing production of wheat, for example?

The discussion may be organized by placing a form upon the blackboard similar to the following:

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ITEM OR FACTOR IN PRODUCTION	AMOUNT OF AND MEANS OF CONTROL BY THE FARMER	
Fertility of Soil	May be controlled to a certain extent by cultural practices and fertilization.	
Weather	Some indirect control of the in- fluence of weather through certain practices such as summer tillage methods in semi-arid regions.	
Preparation of seed bed	Controlled to a large extent by farmer, but factors not under his control may enter.	
Acres in Wheat	Direct control of total number of acres seeded to wheat.	

Etc.....

The previous asscussion should "set the stage" for consideration of cost of things purchased by farmers and prices received per bushel of wheat.

Write upon the blackboard the two items - cost of things purchased by wheat farmers and price received per bushel of wheat. With these two items before the farmers, ask a question similar to the following:

Is there any relationship between the price received per bushel for wheat and the cost of articles farmers buy?

At this point introduce a discussion on prices paid and received by farmers, using charts RC-1, Index of Prices Received and Paid by Farmers, and Wheat - Farm Prices and Fair Exchange Value, July 1910 To Date.

Ask the farmers if the past few years have been good years in which to buy new grain drills, binders, tractors, etc. It may be expected that the farmers will bring out the general idea that prices of farm machinery, for example, in terms of bushels of wheat needed to exchange for the machinery have varied in a manner which has put the farmer at a great disadvantage.

The situation may be made more concrete by presenting the following facts:

	INDEX NUMBERS	FOR PRICES OF:
	Wheat	Farm Machinery
June 1932 July 1934	42 89	142 144

The above index numbers may be interpreted as follows:

In June, 1932, it took 338 bushels of wheat to buy a machine which cost 100 bushels during the period August 1909 to July 1914. In July 1934 the ratio was 162 to 100.

When the prices of things purchased by farmers are relatively higher than the prices received for commodities produced, the farmer is at a comparative disadvantage.

It is to be expected that there will be some confusion in the minds of the farmers concerning what has been presented. The object of the teacher at this point should not be that of making the details of the whole problem entirely clear, but to arouse in the minds of the farmers some appreciation of the complexity of the situation and a desire or feeling of need for making a more complete analysis of the problem. The following procedure is suggested as a means of aiding the farmers in determining how the whole problem may be studied in an organized and comprehensive manner.

In other words, aid the farmers in planning a program of instruction. By guiding the development of this phase of the work the teacher will make it possible for the farmers as a group to suggest a plan of study very similar to the plan which the teacher should have in mind, after making a thorough study of the seven units which have been prepared and the specific needs of his group of farmers. By using such a procedure the farmers will have a greater interest in the proposed program of instruction because they will understand its organization and objectives.

Bring again to the attention of the group the question which was presented at the beginning:

What is the outlook for a reasonable financial return to the individual producer of wheat?

From the discussion that has been developed, guide the farmers in formulating the following suggested phases of the large problem. (List upon the blackboard.)

1. What is the meaning of prices? How may they be easily compared? What is the meaning of price relationship as compared to price level?

- 2. What has been the trend of price relationships?
- 3. What has been the trend of prices for wheat during the past years?
- 4. What factors influence the prices of farm commodities in general and the price of wheat in particular.
- 5. What has been the influence of its program for wheat adjustment? Is such a program needed?
- 6. Summarization of the factors affecting the wheat situation or the outlook for wheat production.
- 7. Organizing the individual farm business in relation to the economic situation in general and the wheat program in particular.

It will be noted that the above suggested phases of the problem correspond approximately to the units of instruction that follow.

By using such a procedure, it is possible for the teacher to enlist the aid of the group in planning the general program of instruction to be followed. The farmers will appreciate and understand much better what is being done if such a plan is followed.

The teacher should develop the point of view that the group, including the teacher, is facing a big problem that needs to be analyzed in detail before final decisions can be made.

Guide the farmers in developing a realization that the problem calls for an assembling of facts related to the problem, and a use of the facts in arriving at sound judgments involving the problem.

In approaching the problem, the teacher should be exceedingly careful to create the impression that the problem is to be attacked in a scientific manner. Appearances of bias and propaganda should be avoided entirely. The teacher should not make decisions for the farmers, but should be of use to the farmers in helping them to decide for themselves the answers to the questions which lead to the solution of the problem so far as each farmer is concerned.

TIME TO BE USED FOR EACH UNIT

The units are not organized upon the basis of devoting one meeting or period to a unit. Some of the units may require more than one meeting in order to accomplish the objective. Teachers are expected to plan with the farmers upon the amount of time to be devoted to the various units.

ORDER OF PRESENTING THE UNITS

While an order of using the units is suggested in the accompanying material, a teacher should study the needs of his particular situation and re-arrange the materials in any manner which may be more suitable to meet the needs of the group enrolled for the instruction.

